**Refund of Premium**

2309. SHRI GHUFRAN AZAM: Will the Minister of FINANCE be pleased to state:

(a) whether the LIC, Kanpur Division has not refunded the premium amount against the Insurance policies of high value which were issued without proper consent in writing from the insured;

(b) whether Government's attention was also drawn by the insured;

(c) whether any action has been taken in this regard; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBI PROSAD PAL): (a) to (d) It has been reported by the Life Insurance Corporation (LIC) that only in one case, their Kanpur Division received premium amount on behalf of an insured through an agent alongwith unfilled proposal form duly signed by the insured. The insured is stated to have given oral instructions to the agent to arrange for an insurance policy for a sum of Rs. 5 lakhs which should mature at the age of 75, i.e. with a term of 37 years. The agent appears to have made some changes in the aforesaid conditons with the oral consent of the insured. These changes are — (a) to increase the sum assured from Rs. 5 lakhs to Rs. 25 lakhs; (b) to change the mode of payment from yearly to quarterly mode; and (c) to reduce the period from 37 years to 25 years, (the maximum term possible under the existing rules). In addition to the above changes, based on the medical reports, an extra premium of Rs. 525 per thousand sum assured was charge by the LIC while issuing the policy on 28.3.95 in favour of the insured. The policyholder complained that the above changes were made without his written consent. Therefore, the Kanpur Division has decided to give the insured an option to change over from quarterly mode to annual mode and to reduce the sum assured from Rs. 25 lakhs to Rs. 5 lakhs w.e.f. the next policy anniversary date viz. 28.3.1995. The LIC have reported that under the existing rules it is not possible to refund the premium once the policy is issued and the policy period cannot be increased beyond 25 years in this case. They also reported that the extra premium charged on medical grounds cannot be waived.

**Losses of Public Sector Banks**

2310. SHRI RAMACHANDRAN PILLAI: Will the Minister of FINANCE be pleased to state:

(a) which are the Public Sector Commercial Banks running with accumulated losses more than equity and reasons for the same during the last three years; and

(b) the amount of accumulated loss of each such bank?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBI PROSAD PAL): (a) and (b) The names of the public sector banks which have accumulated losses more than their equity as on 31.3.1993 and 31.3.1994, as reported by Reserve Bank of India, are as under:—

*(Rs. in crores)*

| Sl. No. | Name of the Bank | Amount of accumulated loss | Paid-up Capital |
|---|---|---|---|
| 1 | 2 | 3 | 4 |
| | | As on 31.3.1993 | |
| 1. | Andhra Bank | 141.08 | 92.00 |
| 2. | Bank of Maharashtra | 196.51 | 184.50 |
| 3. | Central Bank of India | 383.31 | 182.99 |
| 4. | Indian Overseas Bank | 752.74 | 370.00 |
| 5. | Syndicate Bank | 670.08 | 159.00 |

| 1 | 2 | 3 | 4 |
|---|---|---|---|
| | | As on 31.3.1994 | |
| 1. | Allahabad Bank | 473.61 | 262.50 |
| 2. | Andhra Bank | 303.34 | 242.00 |
| 3. | Bank of India | 1420.26 | 1104.00 |
| 4. | Bank of Maharashtra | 493.45 | 334.50 |
| 5. | Central Bank of India | 1095.24 | 672.99 |
| 6. | Indian Overseas Bank | 1103.93 | 1075.00 |
| 7. | Punjab & Sind Bank | 375.94 | 367.50 |
| 8. | Syndicate Bank | 969.48 | 839.00 |
| 9. | United Bank of India | 888.74 | 578.00 |
| 10. | UCO Bank | 1108.69 | 1035.00 |

As on 31.3.1995, there was no public sector bank which had accumulated losses more than its equity.

The main reasons for the losses during the last three years in banks was the recognition of non-performing assets as a consequence of implementation of prudential norms on income recognition, asset classification and provisioning from the accounting year beginning 1st April, 1992. In terms of prudential norms, banks should not take to income account interest accrued on non-performing assets. Losses have also been due to higher provisioning for non-performing assets.

**Increase in Indian Airlines flights between Delhi and Hyderabad**

2311. SHRI YERRA NARAYANA-SWAMY: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether there is a proposal to increase the number of Indian Airlines flights between Delhi and Hyderabad;

(b) whether, it is a fact that evening flights between Hyderabad-Delhi and Delhi-Hyderabad are over-booked; and

(c) if so, the steps proposed to increase flights in this sector?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) No, Sir.

(b) and (c) Effective 19.11.1995, A300 services have been replaced with A320 between Delhi-Hyderabad due to withdrawal of one A300 aircraft which *has gone for major maintenance works. This has resulted in reduction of capacity. The position will improve on reintroduction of this A300 service as soon as maintenance works are completed.*

**राष्ट्रीय ताप विद्युत निगम द्वारा उपभोक्ताओं को विद्युत की बिक्री**

2312. **श्री फूलचन्द मीणा:**
**श्री अजीत जोगी:**

क्या विद्युत मंत्री यह बताने की कृपा करेंगे कि:

(क) क्या राष्ट्रीय ताप विद्युत निगम का उपभोक्ताओं को सीधे ही विद्युत की बिक्री करने का कोई प्रस्ताव था;

(ख) यदि हां, तो तत्संबंधी ब्यौरा क्या है और इस प्रस्ताव की वर्तमान स्थिति क्या है;

(ग) इस प्रस्ताव के उद्देश्य क्या हैं; और

(घ) इसके कार्यान्वयन हेतु क्या कदम उठाए जा रहे हैं?

**विद्युत मंत्रालय में राज्य मंत्री (श्रीमती उर्मिला चिमनभाई पटेल):** (क) से (घ) रेलवे के लिए राष्ट्रीय ताप विद्युत निगम से उत्तरी क्षेत्र में औरय्या और दादरी स्वीचयार्ड से लगभग 70 मेगावाट विद्युत की आवश्यकता होती है। तथापि, रेलवे को विद्युत की सीधी आपूर्ति करने के संबंध में अब तक कोई अंतिम निर्णय नहीं लिया गया है।